

State of Utah

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Dee C. Hansen
Executive Director

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Salt Lake City, Utah 84180-1203
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December 10, 1991

Mr. York F. Jones Manager Cedar City Operations Utah International Incorporated 228 South 800 West Cedar City, Utah 84720

Dear Mr. Jones:

Re:

Final Approval of Permit Transfer and Release of Reclamation Surety, Utah International Inc., Cedar City/Iron Mountain Mining Operations, M/021/001, and M/021/008, Iron County, Utah

On October 2, 1991, the Board of Oil, Gas and Mining approved of the amount and form of interim reclamation surety posted by Geneva Steel for all of their active mining properties in the Iron Mountain mining district. This approval includes the 36 acres of property acquired from Utah International Inc., under permit M/021/001. All of the outstanding issues which have delayed finalization of the permit transfer of this property to Geneva Steel have now been satisfied.

On December 5, 1991, the Division sought Board concurrence to formally release UII's reclamation surety (Mined Land Reclamation Contract/Self-bond), being held to assure performance of reclamation of the Cedar City Mining Operations, permit M/021/001. The Board issued its concurrence and granted release of the reclamation surety.

By copy of this letter, Utah International Inc. is hereby released from all further reclamation responsibility for the mining-related disturbances associated with permit number M/021/001. A copy of the original reclamation surety (Mined Land Reclamation Contract/Self-bond), presently held at \$217,421, is enclosed. Geneva Steel will now assume all further responsibilities for continued operations and ultimate reclamation of the 36 acres (Comstock Plant & Railroad Site) effectively transferred pursuant to the signed transfer agreement. A copy of the final signed transfer form is also enclosed for your corporate office files.

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Thank you for your continued cooperation and patience in finalizing this permitting action. Please contact me, Lowell Braxton, or D. Wayne Hedberg should you have additional questions or concerns regarding this matter.

Best regards,

Dianne R. Nielson

Director

dwh/jb Enclosures

cc: Roy Benson, Geneva Steel

Clayton Parr, Kimball, Parr, Waddoups, Brown & Gee

Lowell Braxton

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